



# HKSI Institute Membership Rules

21 June 2016

## **SECTION 1: INTRODUCTION**

### **1. Introduction**

- 1.1 This document sets out the Membership Rules (“the Rules”) of the Hong Kong Securities and Investment Institute (the “Institute”). The Rules, in addition to the Articles of Association of the Institute (“the Articles”), shall apply to all classes of members of the Institute (“members”). In the case of any conflict between the Articles and the Rules, the Articles shall prevail.
- 1.2 Pursuant to articles 2.03 and 17.01 of the Articles, the Board of Directors of the Institute (the “Board”) shall determine the rules regarding the respective rights, privileges and obligations of members. The Institute reserves the right to make amendments to the Rules from time to time at its absolute discretion, without giving any prior notice to members or any party or obtaining their prior consent. The power of interpretation of the Rules shall be vested in the Board whose interpretation shall be final and conclusive.

### **2. Membership Standards**

- 2.1 The Institute is concerned with setting, raising and promoting standards within the financial services industry through examinations and qualifications, learning and professional development programmes and membership community.
- 2.2 The Institute is a professional membership organisation for individuals, practitioners, companies and organisations engaging in a broad range of securities, investment and business activities within the financial services industry. Applicants seeking to become members of the Institute must first satisfy the membership requirements.
- 2.3 In consideration of the Institute vetting an application and (where applicable) accepting an applicant as a member, each applicant agrees to comply with the terms of the Articles and Rules, which contain the entire agreement between the Institute and such parties with respect to the subject matter.

As a condition of membership, members agree to abide by the Articles, the Rules, decisions of the Board and the delegated committees, irrespective of how such committees are designated.

- 2.4 Any material modification to the Rules shall be posted on the Institute’s website, and members should refer to the Institute’s website for details on a regular basis. If a member does not agree with the amended Rules, he or she may resign from membership in accordance with Clause 14.2 of the Rules. A member’s continued membership will signify his or her acceptance of these changes.

### **3. Member’s Code of Ethics**

Members must at all times:

- a. act in their client’s interest, in particular, in priority to their own in a situation where conflicts occur. Members must disclose any material interest or conflict of interest to their clients and must take all reasonable steps to ensure fair treatment of their clients. They should act in good faith and exercise independence in making professional judgments.
- b. carry out their work with due and reasonable skill and care and in accordance with the current best industry practice and the highest ethical, professional and technical standards expected of them as members of the Institute.
- c. ensure that they are, and remain, competent to carry out the duties that their profession requires.

- d. encourage the training of young practitioners who are under their authority and give proper supervision and guidance to them.
- e. obey all applicable laws and regulations of the Hong Kong Special Administrative Region, all rules and regulations enforced by the competent authorities, and follow the spirit as well as the letter of all relevant laws.
- f. not engage in any illegal, dishonest or misleading behaviour that might have a negative impact on their reputation as members or bring dishonour or disrepute upon the Institute or its other members.

## **SECTION 2: MEMBERSHIP**

### **4. Classes of Membership**

#### **4.1 Individual Membership**

The following are different classes of individual membership: Honorary Fellow (FHKSI (Hon)), Senior Fellow (SFHKSI), Fellow Member (FHKSI), Ordinary Member (MHKSI), Associate Member (AHKSI) and Student Member (UHKSI)

#### **4.2 Corporate Membership**

The following are different Categories of Corporate Membership: Category A\*, Category A, Category B, and Category C.

### **5. New Applications**

5.1 An applicant must file an application form for admission to the respective class of Individual or Corporate Membership.

5.2 All sections of the application form must be fully and accurately completed. An application form must be accompanied by payment of an appropriate fee where required.

5.3 All membership applications will be put forward to the Membership Committee (“the Committee”) for approval. The decision of the Committee is final, conclusive and binding on all parties.

5.4 Applicants who are refused membership, or withdraw their applications, are entitled to a refund of the joining fee and annual fee if such fees have been paid. However, a non-refundable administrative fee will be charged for all applications.

### **6. Membership Benefits**

6.1 An Individual Member will receive a membership certificate and a membership card upon admission. For avoidance of doubt, the membership certificate and the membership card are properties belonged to the Institute and the Institute has the right to demand the return of the said documents from time to time. Subject to Clause 7.2.3(b), a member is entitled to hold the said documents as long as he or she remains a member and duly pays his or her annual subscription fees.

6.2 A Corporate Member will receive a membership certificate and a membership card upon admission, and is entitled to hold the said certificate as long as it remains a member and duly pays its annual subscription fees. For avoidance of doubt, the membership certificate and the membership card are properties belonged to the Institute and the Institute has the right to demand the return of the said documents from time to time.

6.3 Different classes of members enjoy different membership rights, benefits and privileges, which include: voting, the use of the Institute’s professional membership designation and certificate, membership card and other items of a similar nature, discounts on membership services and the receiving of education materials, programme updates, Institute information and documentation. These may be varied from time to time without prior notice given to the members. Members should refer to the Institute’s website regularly for the latest updates.

## **7. Requirements**

### **7.1 Individual membership**

#### *7.1.1 Student Membership*

- a. Student Membership is for post-secondary full-time students from local, Mainland or other overseas registered education institutions acceptable to the Institute.
- b. Student Members shall not be entitled to receive notice of or attend and vote at any general meetings of the Institute.
- c. Student Members shall not be elected to the Board.

#### *7.1.2 Associate Membership*

- a. A Student Member may apply to progress to Associate Membership or Ordinary Membership, subject to the Committee's approval.
- b. Alternatively, non-members may apply for Associate Membership if they only meet the requirements for this class of membership. The requirements are listed in Schedule 1.
- c. Associate Members shall not be entitled to receive notice of or attend and vote at any general meetings of the Institute.
- d. Associate Members shall not be elected to the Board.

#### *7.1.3 Ordinary Membership*

- a. An Associate Member or a Student Member may apply to progress to Ordinary Membership, subject to the Committee's approval.
- b. Alternatively, non-members may also apply for Ordinary Membership if they have a recognised qualification and at least three years' relevant industry experience. The requirements are listed in Schedule 1.
- c. Corporate members may nominate their senior management staff to join as Members who will be referred to as "Corporate Nominees". For details, please refer to Clause 7.2.3 below.
- d. The Committee shall interpret "relevant industry experience" as detailed in Clause 11 and Schedule 2.
- e. Ordinary Members shall be entitled to receive notice of, attend and vote at any general meetings of the Institute. They shall be eligible to be elected to the Board.

#### *7.1.4 Fellow Membership*

- a. An Ordinary Member may apply to progress to Fellow Membership, subject to the Committee's approval. The requirements are listed in Schedule 1.
- b. Corporate members may nominate their senior management staff who are Fellows to be "Corporate Nominees".
- c. Fellow Members shall be entitled to receive notice of or attend and vote at any general meetings of the Institute. They shall be eligible to be elected to the Board.

#### *7.1.5 Senior Fellow Membership*

- a. The progression from Fellow Member to Senior Fellowship is upon recommendation by the Executive Committee, subject to the Board's approval. The requirements are listed in Schedule 1.
- b. Senior Fellows are entitled to receive notice of or attend and vote at any general meetings of the Institute. They shall be eligible to be elected to the Board.

#### *7.1.6 Honorary Fellow Membership*

- a. The nomination and approval of the Honorary Fellows is at the sole discretion of the Board.
- b. Honorary Fellows shall not be entitled to receive notice of or attend and vote at any general meetings of the Institute. They shall not be eligible to be elected to the Board.

7.1.7 The Committee may exercise discretion in the application and interpretation of membership requirements, including the waiver of certain requirements on reasonable grounds.

## **7.2 Corporate Membership**

7.2.1 Companies or organisations engaging in securities, investment and business activities within the financial services industry are eligible to apply for Corporate Membership. Others which are, in the opinion of the Committee, otherwise notable, may be considered for Corporate Membership. The requirements for different categories of corporate membership are listed in Schedule 3.

7.2.2 Each Corporate Member is entitled to one vote, at general meetings of the Institute, to be exercised by the authorised representative. The appointment of the authorised representative will continue to be valid until the Institute has received any contrary instruction by written notice.

### **7.2.3 Corporate Nominee**

a. Corporate Members may nominate their senior management staff to join as individual members. They are referred to as "Corporate Nominees". Current Ordinary, Fellow and Senior Fellow members can change their existing memberships to Corporate Nominees upon Membership Committee's endorsement, while non-members are required to file their membership applications. Each Corporate Member, depending on its membership category, can nominate 1 to 6 corporate nominees. The number of corporate nominees available to different categories of Corporate Membership is listed in Schedule 3.

b. Corporate nominees do not need to pay the annual fee for their individual membership as long as they continued to be a corporate nominee of the corporate member, which nominated them.

c. The free individual membership status of corporate nominees will cease upon:

- i) the termination of employment between the Corporate Member and such corporate nominees, or
- ii) the failure of such Corporate Member to pay its annual fee, or
- iii) the cessation of such Corporate Member to be a member of the Institute, or
- iv) the nomination of another senior management staff by such Corporate member to replace the respective corporate nominee.

The previous corporate nominees can continue their Memberships subject to payment of annual fee upon renewal.

## **8. Recognised Qualifications**

The Committee may revise the lists of recognised qualifications for different classes of individual membership as listed in Schedule 1 from time to time as and when it deems fit.

## **9. Fees**

9.1 The joining fees, progression fees and annual fees for different classes of individual membership are outlined in Schedules 4

9.2 The Institute will take action against members who fail to pay their membership fees on time. A maximum of three-month grace period may be allowed during which members, who have not paid their membership fees, may still remain as members and may renew their membership by settling the overdue membership fee within the grace period.

Membership will be automatically terminated following the conclusion of the grace period, after which the membership will lapse and all membership rights, benefits and privileges will be withdrawn. These include, but are not limited to voting, the use of the Institute's professional membership designation and certificate, membership card and other items of a similar nature, discounts on membership services and the receiving of education materials, programme updates, Institute information and documentation.

To re-apply for membership, it will be necessary for an ex-member, whose membership has been terminated, to re-submit an application and fulfill the membership requirements current at the time of re-application.

If for any reason the Institute decides to reinstate a member following the termination of its / his / her membership, then such reinstatement will be on the terms notified by the Institute, and will include at a minimum that the member pays any fees that were outstanding as at the time of membership termination.

- 9.3 Corporate Members are not required to pay joining fee. The annual subscription fee corresponds to membership categories are outlined in Schedule 3

## **10. Membership Progression**

### 10.1 Individual members

- a. Individual members may apply for progression within the tiered membership structure if they meet the membership requirements of the class to which they are eligible to progress. Members may be required to pay a progression fee. The progressive routes and relevant fees are outlined in Schedules 1 and 4.
- b. Where membership requirements state that a specified number of years of relevant industry experience is required, an application will not normally be considered until the full term of those years has been completed.
- c. Applications for progression to Associate or Ordinary Membership will be considered throughout the year. Members are required to submit their applications in writing.
- d. Applications for progression to Fellow Membership will be considered throughout the year. Ordinary Members applying for progression to Fellow Membership must file their application forms and pay the appropriate progression fee.
- e. The power to approve progression from Fellow Membership to Senior Fellowship rests with the Board. Suitable Fellow Members will be recommended by the Executive Committee to apply for progression. Fellow Members accepting the invitation for progression will need to file the relevant form on or before the deadline as specified by the Institute.
- f. It is the member's responsibility at his / her own cost to notify and submit to the Committee all the relevant documentary evidence that he or she has gained the required experience and/or qualifications for progression.

### 10.2 Corporate members

- a. A corporate member is required to confirm and update the number of registered entities or licenses upon renewal. In general, corporate members are encouraged to progress to a higher level of membership if they add more registered entities or are granted additional licenses.
- b. The progression application of a corporate member which does not meet the requirement of the respective membership category will be submitted to the Committee for consideration.

## **11. Relevant Industry Experience**

- 11.1 The Institute has a very broad membership base comprising many different securities and investment-related professional activities. Individuals or practitioners in stock broking, market making, fund management, investment analysis, corporate finance, commodity and financial futures and options,

markets administration, communication and technology, regulation and compliance, as well as clearing and settlement may be regarded as having the “relevant industry experience”, subject to such period of experience as may be specified in the Rules.

In addition, a range of related job functions which may be regarded as “relevant industry experience” is listed in Schedule 2. The job functions should have been exercised for such period as may be specified in the Rules. The list is not exhaustive and the Committee reserves the right to revise the list, as and when it deems fit.

11.2 The financial services industry covers a very diverse professional areas and that diversity will be reflected in the composition of the Institute’s membership. The Committee will take a broad view in determining the scope of relevance industry experience.

11.3 Where a specified period of years of experience is required according to the admission criteria, it is the aggregate period, rather than the continuous period that will be assessed.

## **12. Refusal**

12.1 The Committee may refuse to approve an applicant on one or more of the following grounds:

- a. the applicant is not sufficiently able to meet the Institute’s standards of integrity and competence; or
- b. the applicant does not have sufficient experience to meet the Institute’s standards; or
- c. the applicant’s experience is not relevant and cannot be considered as relevant; or
- d. the information submitted, or statements made, by the applicant in the application is either untrue or inaccurate.

12.2 The decision of the Committee in refusing to approve an applicant based on any one or more of the grounds under Clause 12.1 is final, conclusive and binding on all parties and the Committee is not obliged to explain or justify any such decision.

12.3 The Committee may, at its absolute discretion, decide that an applicant who fails, on any ground, to become an Ordinary Member may satisfy the admission criteria for Associate or Student Membership. The Committee may direct that the applicant be advised of this, so that the applicant has the opportunity to amend his or her application rather than being refused membership.

## **13. Membership Fee**

13.1 Associate Members, Ordinary Members, Fellow Members, and Senior Fellow Members may enjoy concessionary rate of annual membership fee if they are at least 60-year old or reside in Hong Kong for less than 180 days a year.

13.2 Fellows and Seniors Fellows are also eligible to apply for a lifetime membership.

13.3 Please refer to Schedule 3 for details

## **14. Resignation**

14.1 Subject to Clauses 14.2, a member who wishes to resign from the Institute must notify the Institute in writing no less than 30 calendar days before the effective date of resignation; and unless the Institute does not accept the resignation, such resignation shall take effect on expiry of the 30 calendar days’ notice period following receipt by the Institute or the actual effective date of resignation, whichever is later.

14.2 Where a member wishes to resign due to changes in the Rules (as detailed in Clause 2.4), it/he/she shall notify the Institute of this in writing and give reasons. Such resignation shall take effect following receipt by the Institute of the member’s written resignation notice or the actual effective date of resignation, whichever is later.



## SECTION 3: REPORTING

### 15. Introduction

Each applicant or member agrees to permit the Institute to approach and contact all relevant bodies and their personnel department to verify and check the truth and accuracy of the information submitted by such applicant or member. Provision of untrue or incorrect information to the Institute may result in an application being refused or disciplinary action being taken against the relevant member under Section 4.

Members must advise the Institute of any matters which may have a bearing on their suitability to remain as members of the Institute. Members shall consult the Institute in case of doubt. Members must promptly advise the Institute of changes of any personal information they have submitted to the Institute in connection with their application or at any other time, including without limitation any changes to their contact information, correspondence addresses and/or employment information.

Each member warrants and represents that all information it / he / she provides to the Institute is at all times true, accurate and not misleading in any material respect and it / he / she shall immediately inform the Institute if the information ceases to be true and accurate, or becomes misleading.

### 16. Personal Data

16.1 Personal data held by the Institute relating to the applicants and members shall be kept confidential but the Institute is authorized to collect and use the personal data which the applicants and members provide to it for the following purposes:

- a. evaluation of membership applications;
- b. provision of membership services including courses, events, examinations, seminars, timely updates and other services;
- c. research or statistical analysis;
- d. promoting and/ or providing services made available by the Institute or such third parties as determine by the Institute;
- e. maintaining membership records;
- f. promoting ethics and best practices;
- g. disciplinary actions;
- h. otherwise carrying on its business, any other related purposes

All applicants and members hereby explicitly authorise and consent to such use. Each applicant and member agrees that the information provided can be used and transferred by the Institute to its personnel as required by their job roles and that the Institute, subject to the relevant law, can additionally provide and transfer this information to third party service providers, whether within or outside Hong Kong, in connection with the above purposes. By applying to become a member and becoming a member, the applicants and members hereby explicitly consent and agree to all such provisions and transfers.

The Institute takes its obligations to treat applicants' and members' personal data seriously and complies with its obligations under the Personal Data (Privacy) Ordinance.

16.2 All applicants and members have the right to access and request amendment to the personal data the Institute holds on them at any time. All enquiries regarding personal data should be in writing to: Director - Finance and Operations Department. The Institute reserves the right to charge a fee for the processing of any data access request.

## **17. Important Changes**

- 17.1 Any changes in circumstances or the occurrence of events that may affect a member's suitability to remain a member, however trivial they may appear to the member, must be reported in writing, except where such disclosure is prohibited by law, and in confidence for the attention of the Committee as soon as the member becomes aware of such changes in circumstances or the occurrence of events. The Committee's power to take disciplinary actions against members is derived from the delegation of that power to the Committee by the Board, and the Committee will decide whether the information, if known at the time of the member's application of admission to the Institute, would have affected the outcome of the application. Depending on the Committee's decision, the appropriate procedures set out in Clause 21 may be activated.
- 17.2 Disciplinary matters affecting a member's suitability to remain a member that must be reported under this Section include but are not limited to the following, except where such disclosure is prohibited by law:
- a. the issue of any warrant of arrest, the laying of any charge by any enforcement body of the Hong Kong SAR Government or commencement of any criminal proceedings; or
  - b. any punishment or reprimand imposed by any regulatory body, whether or not publicly announced.

## **18. Consequences of Failure of Reporting**

Failure to report a matter that could affect a member's suitability to remain on the Institute's roll of members will, in itself, be regarded as a serious breach of the Rules and could lead to disciplinary action taken by the Institute against the member.

## **SECTION 4: PROFESSIONAL CONDUCT AND DISCIPLINE**

### **19. Authority to Discipline**

- 19.1 The Institute's authority to discipline members derives from the members' agreement, at the time of making their membership applications, to be bound by the Articles and the Rules, for so long as they are members of the Institute. These documents detail the minimum standards of behaviour expected from members at all times.
- 19.2 The power to discipline members rests with the Board, which has delegated responsibility for disciplinary matters to the Committee. The Committee may decide at its discretion whether to take action in a particular case.
- 19.3 Any failure by a member to comply with any instruction issued by the Committee shall be considered to be a further breach of the Rules and will result in further disciplinary action being taken against such member in accordance with the Rules.

### **20. Actions**

- 20.1 The Institute may gather or receive information about its members, from the public domain and from other sources including reports made by members, and will pass on the information to the Committee for action as stated below.
- 20.2 After examination of the information, the Committee may determine:
- a. not to take any action; or
  - b. to take action as outlined in Clause 20.3
- 20.3 Depending on the gravity of an individual case, the Committee may, at its discretion, take one or more forms of action as outlined below:
- a. **Reminder:**  
For cases that are likely to cause damage to the Institute's reputation or that of the financial services industry, a written notice stating the importance of professional conduct may be issued to the member concerned. In addition, the member concerned may be encouraged to complete certain continuing education or other remedial programme.
  - b. **Suspension of membership:**
    - i) A member will be informed of the membership suspension decision in writing if the member's conduct has led to the suspension of its / his / her licence(s) by the authority granting the licence, or any other acts or omissions on the part of the member that the Committee considers sufficient for suspension action to be taken without further investigation.
    - ii) In the former case, the period of suspension may correspond to, or be less than the suspension period of its / his / her licence(s) by the relevant authority; in the latter case, the period will be of such duration as the Committee deems appropriate. During the membership suspension period, the member's right to use the Institute membership designations, to apply for renewal and to apply for progression will be withdrawn.
    - iii) Suspended members are not allowed to attend the annual general meeting or other general meetings, and will not be permitted to vote.
    - iv) Following the expiration of the suspension period, the member concerned will need to file a written request for membership reinstatement. The reinstatement is subject to the Committee's endorsement and the settlement of all dues by the member.
  - c. **Expulsion from membership:**
    - i) The Committee may decide at its absolute discretion, based on such information as is available to it, to expel a member from the Institute.

- ii) A member who is expelled from the Institute will be informed of the decision in writing including the period of time, if any, which must elapse before it/he/she may re-apply for membership. This would normally be more than three years from the date of expulsion.

## **21. Procedures**

- 21.1 The Secretariat will report disciplinary cases, if any, in each Committee meeting. The Committee will review the case details and consider appropriate action as outlined in 20.3. The Secretariat will inform the member concerned in writing about the decision of the Committee after consult the Chairman.
- 21.2 If the Committee decides to gather additional information from the member concerned, the Secretariat will invite the member concerned to make full disclosure, in writing, within a specified period (not less than 14 calendar days), of all pertinent facts and to submit any relevant documents for consideration by the Committee.
- 21.3 The Committee is not a judicial body, and its proceedings are not those of a court of law. The Committee will arrive at a finding by the application of common sense and professional judgment, fairly, to the known facts, taking into account the Articles and the Rules.
- 21.4 The Committee will issue its findings within 28 calendar days upon completing its deliberations. It will find either that the information laid before the Committee does not impugn the professional integrity and good character of the member or the reputation of the Institute, and/or the industry (Case 1) or, it will find that the information laid before it does impugn the professional integrity and good character of the member or the reputation of the Institute and/or the industry and that action must therefore be taken to protect that reputation (Case 2).

## **22. Decision, Enforcement and Notification**

- 22.1 For the issue of reminders, a simple majority vote of the members present in the Committee meeting will suffice.  
For consideration of suspension or expulsion:
  - i) it may be dealt with in a committee meeting, or a special meeting could be called within 48 hours,
  - ii) for the meeting, the quorum should be 5,
  - iii) a 2/3 majority vote of the members present in the meeting is required with the Chairman has the casting vote,
  - iv) all members have to declare interests and conflicts before voting
- 22.2 Disciplinary actions will be enforced 28 calendar days after the date of the letter issued by the Secretariat notifying the member of the findings. This is to allow time for an appeal to be lodged (see Section 5). A member who is to be expelled will be suspended from membership during this period. The Institute reserves the right to implement its decision immediately should the severity of the offence warrant it.
- 22.3 The final findings will be notified to the member in writing by registered post.
- 22.4 The findings of the Committee is binding on the member in question.

## **23. Resignation**

- 23.1 A member, who has been informed that a case against it or him or her has been laid before the Committee, does not have the right to resign from the Institute during the period of the disciplinary proceedings, but it or he or she may offer to resign and the Committee will consider whether it is appropriate that it or he or she should do so. If the member is permitted to resign then it will be classified as a disciplinary resignation, and the decision to resign will be irrevocable. The member will

only be considered for re-admission after three years have passed since its / his / her date of resignation, except for serious criminal offences, as interpreted by the Institute in its absolute discretion; in such cases the Institute may refuse re-admission at its discretion.

23.2 For the avoidance of doubt, the Institute may, in its absolute discretion, refuse to accept a notice of resignation given by a member (or reject such a notice after it has been served but prior to its taking effect) if it considers that any matter affecting such a member should be investigated before a decision may be reached on the question of whether the member should be expelled or otherwise disciplined or for any other reason.

**24. Report to the Board**

The Committee will report all their decisions to the Board, relating to disciplinary proceedings against members, in writing, without undue delay.

## **SECTION 5: APPEALS**

### **25. Introduction and Authority to Hear Appeals**

25.1 This appeal procedure may only be used for appeals against disciplinary decisions made by the Committee.

25.2 All appeals will be made to the Board. The final decision rests with the Board.

### **26. Timing and Content of Appeal**

26.1 If a member wishes to appeal against any disciplinary decision of the Committee, then a written appeal must be lodged with the Chief Executive of the Institute within 28 calendar days of the date of the letter notifying the member of the findings of the Committee.

26.2 The grounds for appeal may be any one or more of the following:

- a. the Committee's decision was not supported by the evidence or was against the weight of the evidence;
- b. the penalty imposed by the Committee was excessive;
- c. a member concerned may also appeal on the grounds that new evidence is available and that, had it been adduced, the Committee might reasonably have come to a different decision. This will not apply if the member could have presented the evidence by the exercise of reasonable diligence during, or at the time of, the disciplinary proceedings.

26.3 The written appeal must state:

- a. the grounds of appeal: it will not be sufficient for the member to merely object to the penalty imposed; and
- b. the outcome of the appeal which the appellant desires or thinks is reasonable in the circumstances; and
- c. the names of any persons who will support the member in its or his or her appeal; and
- d. any new or additional material which has a bearing on the case and which the Committee did not see, together with an explanation of why the material was not made available to the Committee.

26.4 In the course of its proceedings, the member concerned has the right to attend the disciplinary proceeding and to be accompanied by a legal advisor / representative.

### **27. Findings**

27.1 Where an appeal is decided by the Board, then the options are as follows:

- a. it may reject the appeal;
- b. it may substitute a lesser or a greater punishment for the one awarded by the Committee.

27.2 The findings of the Board shall be final and conclusive and will be communicated to the appellant in writing, and without explanation. No further correspondences will be entered into.

## **SECTION 6: CEASING TO BE A MEMBER**

### **28. Introduction**

- 28.1 Following the effective date of resignation or expulsion, a member shall cease to hold itself or himself or herself out as such and shall immediately remove all references to being a member of the Institute from their business stationery, documents, websites, notepaper and company name and details etc.
- 28.2 Membership of the Institute shall not be transferable and a member shall cease to be a member of the Institute:
- a. if it / he / she resigns its / his / her membership by giving not less than 30 calendar days' notice in writing to the Institute (Subject to Clause 25); or
  - b. if he or she becomes bankrupt or dies; or
  - c. (in the case of a corporate member) it becomes insolvent or is the subject of winding up proceedings; or
  - d. in such other circumstances as may from time to time be specified in the Rules but this shall be without prejudice to any continuing obligation applicable to it or him or her under the Rules.
- 28.3 Every member undertakes to contribute such amount as may be required (not exceeding HK\$100) to the Institute's assets if it should be wound up while it / he / she is a member or within one year after it / he / she ceases to be a member, for payment of the Institute's debts and liabilities contracted before it / he / she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
- 28.4 All amounts due and payable under the Rules shall accrue interest if unpaid at the expiration of one month commencing on the due date for payment at such rate (including a floating rate) as the Institute may specify from time to time.
- 28.5 In the event that a member resigns or his / her / its membership is otherwise terminated:
- a. that shall not in any way impair any liability (including any prospective or contingent liability) to the Institute to which it / he / she was subject to before it / he / she resigned or its/his/her membership terminated; and
  - b. the member shall not be entitled to refund and/or receive back (in whole or in part) any amounts previously paid by him / her / it to the Institute or, by virtue of any action taken by the Board or the Committee under the Rules, to any other person.

## **SECTION 7: MISCELLANEOUS**

- 29.1 To the maximum extent permitted by law, the Institute's total liability to a member under or in connection with the Rules or their membership of the Institute on any basis for all claims (whether under contract or tort or otherwise) shall be limited to the aggregate of the annual sums that have been paid by the member to the Institute.
- 29.2 No waiver by the Institute of its rights, or the application of the Rules, in any one case in relation to a member shall excuse the member from complying with all of its / his / her other obligations (including those of a similar nature to those which may have been waived) and the Institute's failure to insist upon compliance with any obligation or any of the Rules shall not prevent it from insisting on such compliance at a later date.
- 29.3 If any one, or part, of the Rules is declared invalid or illegal by a court or authority of competent jurisdiction then that one, or part, Rule shall be severed from the Rules, without affecting the enforceability of the Rules which remain. Where a Rule or part of a Rule is held invalid or unenforceable then the parties agree that the Institute shall have the right to replace it with a Rule which, in its reasonable opinion meets the same commercial objectives.



## SCHEDULE 1: MEMBERSHIP REQUIREMENTS

Membership Class	Professional Designation	Admission Requirements
Honorary Fellow 榮譽資深會員	FHKSI (Hon)	<p>The Institute's Honorary Fellowship is intended for individuals who have made significant contribution to the financial community.</p> <p>The nomination and approval of Honorary Fellow ('Hon Fellow') rests with the Board.</p>
Senior Fellow Member 傑出資深會員	SFHKSI	<p>The Institute's Senior Fellowship is reserved for Fellow Members who have made a significant contribution to the development of the Institute and the industry through their association with the Institute.</p> <p>The progression from Fellow Members to Senior Fellowship is by invitation from the Executive Committee, subject to the Board's approval.</p>
Fellow Member 資深會員	FHKSI	<p>The Institute's Fellowship is reserved for Ordinary Members fulfilling the following requirements. Applicant requirements for Fellow (FHKSI) may be fulfilled in one of the following.</p> <p><u>Veteran Route</u></p> <ol style="list-style-type: none"> <li>At least 10 years of Ordinary Membership; AND</li> <li>At least 15 years of relevant industry experience; AND</li> <li>Holds or has held a responsible position within the securities and investment industry.</li> </ol> <p><u>Qualification Route</u></p> <ol style="list-style-type: none"> <li>At least two years of Ordinary Membership; AND</li> <li>At least 10 years of relevant industry experience; AND</li> <li>Holds or has held a responsible position within the securities and investment industry; AND</li> <li>Completion of one of the following HKSI recognised qualifications: <ul style="list-style-type: none"> <li>- CIWM (Certified International Wealth Manager)</li> <li>- CIIA (Certified International Investment Analyst)</li> <li>- PDFM (HKSI Professional Diploma in Financial Markets)</li> <li>- DPE (HKSI Diploma Programme Examination)</li> </ul> </li> </ol> <p><u>Contribution Route</u></p> <ol style="list-style-type: none"> <li>At least two years of Ordinary Membership; AND</li> <li>At least 10 years of relevant industry experience; AND</li> <li>Holds or has held a responsible position within the securities and investment industry; AND</li> <li>Has voluntarily contributed significantly to the development of the HKSI Institute or the securities and investment industry.</li> </ol> <p>Qualified Ordinary Members may submit an application for consideration and approval by the Membership Committee.</p>

<p>Ordinary Member 普通會員</p>	<p>MHKSI</p>	<p>This membership class is open to individuals who hold recognised academic or professional qualification, and have at least 3 years' relevant industry experience.</p> <p>The following are recognised academic or professional qualifications.</p> <ol style="list-style-type: none"> <li>a. Completion of one of the following Institute qualifications <ul style="list-style-type: none"> <li>- HKSI Specialist Certificate (Securities / Derivatives /Credit Rating Agency / Corporate Finance / Asset Management)</li> <li>- PDFM (HKSI Professional Diploma in Financial Markets)</li> <li>- DPE (HKSI Diploma Programme Examination)</li> <li>- HKSI Professional Certificate Programme (Securities / Derivatives)</li> </ul> </li> <li>b. Barrister or solicitor admitted in Hong Kong.</li> <li>c. Qualified member of HKICPA (Hong Kong Institute of Certified Public Accountant) or ACCA (Association of Chartered Certified Accountants).</li> <li>d. Holder of one of the following recognised qualifications <ul style="list-style-type: none"> <li>- CIWM (Certified International Wealth Manager)</li> <li>- CIIA (Certified International Investment Analyst)</li> <li>- CPWP (Certified Private Wealth Professional)</li> <li>- CFA (Chartered Financial Analyst)</li> <li>- Member / Fellow of CISI (Chartered Institute for Securities &amp; Investment)</li> <li>- Fellow / Senior Fellow Member of FINSIA (Financial Services Institute of Australasia)</li> <li>- Regular Member of UKSIP (United Kingdom Society of Investment Professionals)</li> </ul> </li> <li>e. Holder of Bachelor degree or above in any discipline from local or Mainland or other overseas registered education institutions acceptable to the Institute.</li> <li>f. Holder of other academic or professional qualification from local or Mainland or other overseas institutions accepted by the Institute as being equivalent to the above.</li> </ol>
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<p>Associate Member 副會員</p>	<p>AHKSI</p>	<p>This membership class is open to individuals who hold recognised academic or industry qualification or have less than 3 years' relevant industry experience.</p> <p>The following are recognised academic or industry qualifications.</p> <ol style="list-style-type: none"> <li>a. Completion of one of the following Institute qualifications <ul style="list-style-type: none"> <li>- HKSI Practising Certificate (Securities / Derivatives / Credit Rating Agency / Corporate Finance / Asset Management)</li> <li>- PDFM (HKSI Professional Diploma in Financial Markets) Module 4 &amp; Module 5</li> <li>- DPE (HKSI Diploma Programme Examination) Paper 2</li> <li>- FPE (HKSI Foundation Programme Examination)</li> <li>- HKSI Certificate Programme (Securities / Derivatives)</li> <li>- Diploma in HKSI / HKPU Investment Analysis &amp; Portfolio Management</li> </ul> </li> <li>b. Completion of one of the following local recognised qualifications <ul style="list-style-type: none"> <li>- SBE (Securities Broker's Examination)</li> <li>- BRE (Broker's Representative Examination)</li> <li>- OORE (Options Officer and Representative Examination)</li> <li>- Futures and Options Exchange Participant Examination</li> </ul> </li> <li>c. Completion of one the following Mainland or overseas recognised qualifications <ul style="list-style-type: none"> <li>- CFA (Chartered Financial Analysts) Level 1 Examination</li> <li>- IAQ (Investment Administration Qualification)</li> <li>- Canadian Securities Course &amp; Conduct &amp; Practices Handbook Course</li> <li>- FINSIA Certificate in Financial Markets</li> <li>- FINSIA Diploma in Financial Markets</li> <li>- FSA Registered Person Examinations in UK</li> <li>- US General Securities Representative – Series 7</li> <li>- US Futures Representative – Series 3</li> <li>- Associate of CISI (Chartered Institute for Securities &amp; Investment)</li> <li>- Associate of IIMR (Institute of Investment Management and Research)</li> </ul> </li> <li>d. Holder of Bachelor degree or above in any discipline from local or Mainland or other overseas registered education institutions acceptable to the Institute.</li> <li>e. Holder of associate degrees or higher diploma in any discipline from local or Mainland or other overseas registered education institutions acceptable to the Institute.</li> <li>f. Holder of Hong Kong Diploma of Secondary Education Examination (HKDSE), or Hong Kong Certificate of Education Examination (HKCEE), or equivalent.</li> <li>g. Holder of other academic or professional qualifications from local or Mainland or other overseas institutions accepted by the Institute as being equivalent to the above.</li> </ol>
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Student Member 學生會員	UHKSI	This membership class is open to all post-secondary full-time students from local or Mainland or other overseas registered education institutions acceptable to the Institute.
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## **SCHEDULE 2: THE INTERPRETATION OF “RELEVANT INDUSTRY EXPERIENCE”**

Given the constantly evolving nature of the financial and investment industry, apart from the areas identified under Clause 11, individuals performing duties in the following areas, for not less than such periods as may be specified in the Rules, which are related to the financial and investment activities of a business or organisation may be recognised as possessing “relevant industry experience” for eligibility to apply for Ordinary Membership or Fellow Membership. The business or organisation is not restricted to those operating in the financial and investment industry, but the duties of the individual seeking membership must relate to the financial and investment industry:

1. Asset management
2. Asset securitisation
3. Alternative investment / hedge fund
4. Banking: corporate banking / investment banking / merchant banking / private banking
5. Commodities
6. Corporate finance
7. Corporate / securities law
8. Credit rating services providers
9. Derivatives
10. Financial regulators and exchanges
11. Foreign exchange
12. Fund management
13. Financial markets and instruments
14. Financial planning
15. Investment analysis / research
16. Investment linked insurance
17. Investment advising
18. Mergers / acquisitions
19. MPF activities
20. Operations
21. Private equity
22. Real estate / property investment
23. Treasury
24. Underwriting securities issues
25. Wealth management

Apart from the above list, the Committee may also consider applicants’ experience, of not less than such periods as may be specified in the Rules, in the provision of other professional and educational services relating to the business, financial and investment industry in areas listed below as relevant for membership purposes if and only if the Committee is satisfied that the experience of the applicant is directly related to the industry.

1. Accounting
2. Auditing
3. Consultancy Custodial
4. Compliance and regulatory
5. Credit analysis
6. Economic research
7. Education / training
8. Financial analysis and research
9. Information Technology

10. Insurance (other than investment linked insurance)
11. Legal practice
12. Project finance
13. Public relations / communications / investor relations / journalism
14. Risk management
15. Structured finance / leasing
16. Strategic planning
17. Talent management
18. Taxation
19. Trustee Services

The above lists are not exhaustive and the Committee may add or remove any items from time to time at its own discretion.

Applicants should note that mere listing of functions performed in the above areas in their application forms will not necessarily imply that the experience so claimed will be recognised for membership admission. The applicants will be required to prove to the satisfaction of the Committee that their experience is relevant for membership purposes.

**SCHEDULE 3: COPORATE MEMBERSHIP STRUCTURE AND FEES**

Category	Annual Fee	No. of Entity		No. of Licenses	No. of Corporate Nominees <sup>^</sup>
A*	\$53,000	>5	or	>15	6
A	\$32,000	3-5	or	7-15	4
B	\$16,000	2	or	3-6	2
C	\$8,300	1	or	1-2	1

<sup>^</sup> Corporate Nominees enjoy free MHKSI or above membership

## SCHEDULE 4: INDIVIDUAL MEMBERSHIP STRUCTURE AND FEES

Membership Class	Designation	Joining Fee	Progression Fee	Annual Fee	Concessionary Fee #	Lifetime Membership ^
Honorary Fellow	FHKSI (Hon)	N/A	N/A	N/A	N/A	N/A
Senior Fellow	SFHKSI	N/A	\$1,500	\$1,800	\$800	\$3,800
Fellow	FHKSI	N/A	\$1,500	\$1,500	\$800	\$3,800
Ordinary Member	MHKSI	\$600	N/A	\$1,200	\$600	N/A
Associate Member	AHKSI	\$300	N/A	\$600	\$300	N/A
Student Member	UHKSI	N/A	N/A	\$300	N/A	N/A

*Notes*

# Concessionary fee is offered to members who are over 60 years of age OR reside in Hong Kong for less than 180 days in the last 12 months

^ Lifetime membership is offered exclusively to Senior Fellows and Fellows who are over 60 years of age